

**MINUTES OF THE BOARD OF DIRECTORS
HOLLYWOOD PROPERTY OWNERS ALLIANCE
Thursday, April 18, 2013
Taft Building Conference Room
1680 N. Vine St., Suite 802**

Directors Present	Frank Stephan, President	Clarett West Development
	Chris Bonbright	Whitley Court Partners
	Joseph D'Amore	Hollywood Commercial
	Michael Gargano	Argent Ventures, LLC
	David Green	Nederlander Organization
	Leron Gubler	Hollywood Chamber - (Ex-officio Member)
	John Lyons	Avalon Hollywood/Bardot
	Jan Martin	AMDA
	Drew Planting	GPI
	Lee Rierson	(Ex-officio Member)
	Mark Stephenson	Hollywood UMC
	John Tronson	Tronson Investment Group
Directors Absent	Lynda Bybee, Vice President	Metro
	Don Mushin, Secretary	Toyota of Hollywood
	Monica Yamada, Treasurer	CIM Group, LP
	Greg Beck	Champion Real Estate
	Charlie Colletta	HEI, LLC
	Captain Beatrice Girmala	LAPD- (Ex-officio Member)
	Galo Medina	Comprehensive Financial Services
Staff	Kerry Morrison	HPOA
	Sarah MacPherson Besley	HPOA
	Joe Mariani	HPOA
	Devin Strecker	HPOA
	Steve Seyler	BID Security
Guests	Billy Reed	SPBB Owner's Rep
	Clare Sebenius	Haines & Co.
	Genevieve Haines	Haines & Co.

	Fabio Vasco	GTL, LLP
	Dan Gangwish	Guggenheim Securities

I. Call to Order

The meeting was called to order by Board President Frank Stephan at 4:15 p.m.

II. Open Forum

Michael Gargano stated that on March 28, the Millennium Hollywood proposal was unanimously approved by the planning committee of the City Council. He is grateful for those on the board who have supported the project and hopes to reach a consensus with elected officials in the coming months as the project proceeds to the city council.

III. Approval of Minutes

It was moved by **John Tronson**, seconded by **Chris Bonbright** and CARRIED to approve the minutes from the Board's March 21, 2013 meeting. 9 in favor.

IV. Treasurer's Report

- A. Review and approve March 2013 Statement:** Morrison reported on the financial statement, and the year/month at-a-glance figures. She stated that the cash balance is on target, and is actually under due to some initiatives that are just now getting up and running, including the Media Relations project.

It was moved by **Chris Bonbright**, seconded by **John Tronson** and CARRIED to approve the March 2013 statement. Unanimously approved with 9 in favor.

- B. 2012 Financial Review:** Fabio Vasco presented the independent financial review for 2012, completed by his firm, Gleicher, Tilley & Leonard, LLP. He stated that the document is currently in draft form, and that it is a snapshot of the organization's financial position; this is the fourth year GTL LLP has completed the review. Vasco went through the report page by page and explained each section. Morrison asked the board to review the document and it will be on the agenda for approval next month.

- C. CPI Increase for 2014:** Morrison reported that given the budget surplus, staff is recommending no increase to assessments for 2014.

It was moved by **Chris Bonbright**, seconded by **David Green** and CARRIED to forego a CPI increase for the year 2014. Unanimously approved with 9 in favor.

V. New Business

- A. Nominating Committee:** Green reported that the committee had asked Leslie Blumberg to fill the vacant seat on the board, and Blumberg agreed and said she would try to make it to as many meetings as possible despite being located on the east coast.

It was moved by **John Tronson**, seconded by **Mark Stephenson** and CARRIED to appoint Leslie Blumberg, owner of 6126 Hollywood Blvd. (The Fonda Theatre) to the board of Directors to the seat vacated by Lee Rierson. Unanimously approved with 9 in favor.

- B. Department of City Planning & Development:** Morrison reported that Michael LoGrande presented a proposal last week to consolidate planning, building and safety, and other departments into one

department, in an effort to streamline the development process. On April 23, the PLUM committee will be hearing the proposal. Morrison is concerned that this is moving too quickly and whether or not it would work. Stephan added that he had the opportunity to discuss the proposal with the mayor and other developers and he views it as the mayor making a bold move and planting a seed. As a developer, he agrees that there has to be a better way and this proposal makes sense in terms of efficiencies from an administrative standpoint and relieving tensions between departments; he sees it as a step in the right direction. Morrison said she would send out a summary of the proposal to the board. Bonbright said he feels it is important that the board show support for the concept and help work out the details; Planting added that we should discuss the proposal with mayoral candidates now while we have some leverage before the election.

It was moved by **Mark Stephenson**, seconded by **Chris Bonbright** and CARRIED to support the concept of streamlining, reducing costs and inefficiencies with the development process and continue to explore the possibility of realigning various city departments related to development into one. Unanimously approved with 10 in favor.

VI. Committee/Activity Reports

A. Streetscape

1. **Report from April 4 Streetscape Walk-through:** HPOA staff organized a walk-thru of both BIDs on April 4th with Streetscape Committee members: Don Mushin, Carol Massie, Fabio Conti, Arthur Stroyman, and Kitty Gordillo. Additionally, Amy Schulenberg from the City of LA's Bureau of Sanitation Tree Planting Program and landscape designer, Troy Silva offered their resources for the duration of the tour. The group met at 9AM and surveyed every street in each BID.

Besley presented a slideshow of punchlist items that the group will tackle in the coming months, including: planting trees in barren stretches of sidewalk, removing sidewalk graffiti, experimenting with new plants in tree-wells and planters, and possibly hiring an engineering firm to draw up plans for a landscaped median on Vine Street – south of Sunset Boulevard.

2. **Annual Tree Trimming – Phase 1:** Besley reported that Urban Tree Care has trimmed all the trees in Phase I of the BID as of today. Besley received a call from supervisor, Tim Sokolowski, on Tuesday letting us know that a gentleman got a cut near his eye, from a falling branch. The crew called an ambulance and the gentleman was taken to the hospital and later his doctor. Tim has reported that the gentleman is in "good condition." Besley contacted Jeff Briggs on Wednesday requesting advice. Briggs recommended contacting the gentleman to assure that he is ok and get a statement, as to what happened, from the crew trimming the trees at the time of the incident. There is nothing else to report at this time.

3. **NE Corner of Hollywood/Cahuenga issues:**

- a. **Maintenance issues in the alley:** Mariani reported on the ongoing challenges had with illegal dumping, graffiti and trash removal in the alley on the east side of Cahuenga, just north of Hollywood Boulevard. Cleanstreet has provided a cost of maintenance to date and it has exceeded the annual assessments paid for alley maintenance. The board can consider the option of suspending services until a gate is installed (when access to the alley can be controlled) or to resume services in 2014 when the new assessment income is obtained.

It was moved by **Chris Bonbright**, seconded by **Michael Gargano** and CARRIED to suspend alley cleaning services behind the Security Pacific Bank Building. Unanimously approved with 10 in favor.

- b. **Bus bench issues:** Billy Reed, representative of the Pacific Bank Building's ownership group, stated that they are very concerned about the bus benches in front of their building, which they believe are a magnet for homeless and has not seen them being used by bus riders. They have plans to build a boutique hotel on the property but need to have confidence in the neighborhood. He stated that to them, the alley is a separate issue. They would like to remove the bus benches, which were installed by the BID and are not the city owned benches seen off the walk of fame. Board members discussed alternate types of benches that could be installed which would not allow people to loiter on them or use them to sleep on. Morrison added that there are additional problems around the property including sleeping, drug dealing, and urination. She said the board could look at removing the bus benches temporarily while we problem solve, and perhaps add some lighting.

It was moved by **Jan Martin**, seconded by **Joe D'Amore** and CARRIED to temporarily remove the bus benches, store them in the Security Pacific Bank Building for up to six months, and then revisit and reevaluate the situation. Unanimously approved with 10 in favor.

B. Security

1. **Security Contract 2013-2018:** Morrison stated that at the last meeting, Planting had inquired about the insurance pool with regards to the Andrews International contract. It was determined that there was sufficient evidence that there is enough capital to cover any potential insurance claims.

It was moved by **Chris Bonbright**, seconded by **Drew Planting** and CARRIED to approve the contract between HPOA and Andrews International Security, as per recommendation of ad-hoc security selection committee. Unanimously approved with 10 in favor.

2. **Night-time BID public safety issues:** Mariani reported that we are on week 12 out of the 13 week pilot project. The committee will re-evaluate the program at its next meeting. Tronson added that the BID officers have not had any incidents during the nighttime hours.
3. **Legislative and litigation update:** Mariani stated that the LA City Council is currently considering opposing AB 5.
4. **Tour Bus ordinance revision:** Morrison reported that the city attorney is ready to bring the exemption forward but there is concern over whether the city would actually enforce the ordinance. The task force will continue to meet and work on the ordinance.

C. Marketing

1. **Introduction to new consulting firm:** Morrison thanked the working group members for their time and efforts in interviewing and selecting a media relations firm. Haines & Co. is the company that was selected, and they will be working to elevate the good news coming out of the District in the media. Genevieve Haines introduced herself and spoke about her company and their plans to do outreach to traditional and digital media. Clare Sebenius is the creative director of the team, and has an emphasis in brand marketing and placemaking. They are currently looking at the "big ideas" and transformation; there is a two-month plan in place where they are interviewing key stakeholders to come up with a strategic blueprint and developing messages. This will lead to a 12-month plan. Morrison explained that they are not promoting the BID as an organization, but rather focusing on what and who is here.
2. **Madame Tussauds Banners:** Morrison reminded the board of the Madame Tussauds banners which were installed last year using the BID logo without authorization. The banners were then

altered with the Hollywood Media District BID's logo covering up the HED logo. The permit for the banners has expired and the Media District has asked if we would support the renewal of the permit. Morrison spoke to Tej Sundher, who said he did not have any opposition to the banners. Stephan said he doesn't think we should take a strong stance against them, but noted that we would not place our logo on banners in another BID. Besley added that the HED might want the poles for our own campaign, and that if Tussauds applies for a new permit it will most likely be for another entire year.

It was moved by **Mark Stephenson**, seconded by **John Lyons** and CARRIED to oppose the Madame Tussauds banners sponsored by the Hollywood Media District from . Unanimously approved with 8 in favor.

VII. Old Business

1. **Parking Issues – Updates:** Morrison reported that Guggenheim has continued to meet with a working group to look at forming a parking district in Hollywood in order to avoid another attempt like the ill-fated P-3 proposal. She presented a chart juxtaposing the P-3 proposal with the new parking district concept. Dan Gangwish of Guggenheim Securities stated that the goal is to monetize the city-owned parking assets, creating efficiencies to manage assets and revenue sources. Stephan asked Gangwish to elaborate on how the proposal would affect rates and what Guggenheim would be getting out of the deal. ____ Romero, Guggenheim Securities, stated that the on-street system would encourage turnover and is meant for simple transactions. The off-street parking assets need to have a common level of service, pricing, and signage. Rates would be determined through a dialogue between the seller and the authority, through an advisory board. The community would have a voice in the process. The standards are set in the concession agreements with a requirement to maintain minimum debt payments. Gangwish added that they would be taking the technology available in the private sector and bringing it to the city, improving the customer experience and raising income.
2. **Transfer of Special Assessments Unit to the Economic Development Department:** Deferred until next meeting.
3. **CUP Task Force:** Deferred until next meeting.

VIII. Staff Reports

1. **Preparations for May 17-18 retreat:** Morrison stated that the planning retreat is being held Friday May 17 – Saturday May 18, with board members staying at the Hollywood Roosevelt hotel, walking the streets from midnight until 3:00 a.m. and the reconvening for a morning meeting. We will be looking at the nightlife, the nightclubs, alleys, and safety issues.
2. **Westside Urban Forum honoring HPOA:** Morrison said she is looking into buying one table for board members, and will send out information.
3. **Temporary Office Move:** Due to construction in the Taft Building, staff will be relocating for a month during the summertime. More details will be provided once it is determined where they will be moving, but it is likely to happen in mid-June.

IX. EXECUTIVE SESSION

1. **Human Resources Policy Discussion:** Kerry Morrison presented the board with a draft policy that would create a "leave bank" for full time staff that have seven years of service to the organization. This could supplement existing paid family leave for the purposes of extending one's compensation during the

course of a paid family leave situation (e.g., pregnancy, paternity, adoption, caring for ill parent or domestic partner, etc.). This one time “bank” would provide 80 hours of wage benefit to be used to supplement one’s paid family leave (PFL). It could only be tapped once, and would not accrue or be paid at time of termination. The policy was prepared by the human resources consultant that Morrison retained to work on updating the employee manual for HPOA.

It was moved, seconded and **CARRIED** to approve the concept of the leave benefit bank for employees with seven years of service, subject to a final review by an attorney who is knowledgeable about human resources.

X. Next Meeting: The next meeting, the annual board retreat, was scheduled for Friday, May 17, at the Hollywood Roosevelt Hotel.

XI. Adjournment

There being no further business the meeting was adjourned by Stephan at 6:00 p.m.